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United States Senate

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

WASHINGTON, DC 20510-6125

March 19, 2002

The Honorable Kent Conrad Chairman Senate Budget Committee Washington, DC 20510

The Honorable Pete V. Domenici Ranking Member Senate Budget Committee Washington, DC 20510

Dear Chairman Conrad and Ranking Member Domenici:

We are writing to request that you include \$1.2 billion for Amtrak in the transportation 400 function of the Fiscal Year 2003 budget. Without this funding Amtrak has stated that they will be forced to eliminate long distance services on October 1, 2002.

The President's Fiscal Year 2003 Budget Request agrees with Amtrak President George Warrington's assessment that "Amtrak could not continue indefinitely under current circumstances." However, the President included only \$521 million for Amtrak in his Fiscal Year 2003 Budget, the same level of funding as last year. Once again, this is significantly below Amtrak's \$955 million authorization for FY 2002. Congress must recognize that Amtrak will require funding for both badly-needed infrastructure improvements and operating expenses for long-distance service. No comparable national passenger rail system in the world has succeeded without operating subsidies; certainly no system has ever succeeded without substantial public capital investment.

In 1997, we reauthorized Amtrak for 5 years at a total of \$5.2 billion, while the actual amount appropriated was only \$2.7 billion. Over time, this under-funding has led to a backlog of badly-needed infrastructure projects and deferred expenditures on items such as critical life-safety needs in the Northeast Corridor, system-wide security improvements, and many other projects which have impacted Amtrak's ability to attain its financial goals. In January, the U.S. Department of Transportation's Office of the Inspector General assessed Amtrak's infrastructure needs at \$1 billion to \$1.5 billion annually over the next 20 years.

Since 1971, Amtrak has sought to balance competing public service and commercial objectives – most recently embodied in the "operational self-sufficiency mandate" – without adequate resources to deliver either objective fully. Funding for America's passenger railroad has barely been enough to keep the system operating on a year-to-year basis, but it has been insufficient to meet its longer-term public service mission much less its capital obligations. If Amtrak continues to be underfunded, it will ultimately result in even greater costs to this country as the passenger rail network deteriorates due to short-term budget constraints.

The Senate Commerce Committee plans to take up the legislation to reauthorize Amtrak this year. In the meantime, this \$1.2 billion request will prevent the elimination of services and hold the current network together while Congress determines the future of Amtrak. As such, we urge you to provide the leadership and necessary funding for Amtrak in the Fiscal Year 2003 budget to ensure that we maintain a national passenger rail system.

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